

HAYLEYS PLC

Interim Report



EXCEPTIONAL

THIRD QUARTER

Nine months ended 31st December 2021

STATEMENT OF PROFIT OR LOSS

Consolidated		Consolidated			Consolidated		
Audited year ended 31.03.21 Rs.'000	Notes	Unaudited 9 months to 31.12.21 Rs.'000	Unaudited 9 months to 31.12.20 Rs.'000	Change %	Unaudited 3 months to 31.12.21 Rs.'000	Unaudited 3 months to 31.12.20 Rs.'000	Change %
241,275,661	Revenue	242,266,572	171,895,488	41	92,217,650	64,999,923	42
(178,244,709)	Cost of sales	(185,291,891)	(126,947,309)	46	(70,091,249)	(47,745,570)	47
(1,872,405)	Direct interest cost	(1,389,156)	(1,414,219)	(2)	(479,997)	(454,011)	6
61,158,547	Gross profit	55,585,525	43,533,960	28	21,646,404	16,800,342	29
1,467,771	Other income	1,280,088	911,287	40	361,419	372,130	(3)
(10,949,210)	Distribution expenses	(9,400,933)	(8,832,979)	6	(3,482,805)	(3,109,827)	12
(25,561,250)	Administrative expenses	(22,861,410)	(18,224,282)	25	(7,910,631)	(6,581,687)	20
(162,060)	Other expenses	(142,767)	(108,546)	32	(67,390)	(32,276)	109
25,953,798	Results from operating activities	24,460,503	17,279,440	42	10,546,997	7,448,682	42
3,175,954	Finance income	3,394,408	1,931,977	76	1,198,944	689,498	74
(10,051,725)	Finance cost	(8,388,188)	(7,790,796)	8	(2,942,687)	(2,154,662)	37
(6,875,771)	Net finance cost	(4,993,780)	(5,858,819)	(15)	(1,743,743)	(1,465,164)	19
195,638	Change in fair value of investment properties	-	-	-	-	-	-
252,611	Share of profit of equity accounted investees (net of tax)	249,557	285,244	(13)	30,724	82,295	(63)
(292,487)	Value added tax on financial services	(254,972)	(191,130)	33	(102,338)	(74,552)	37
19,233,789	Profit before tax for the period	19,461,308	11,514,735	69	8,731,640	5,991,261	46
(5,187,582)	Tax expense	(4,816,046)	(3,311,460)	45	(2,104,970)	(1,611,209)	31
14,046,207	Profit for the period	14,645,262	8,203,275	79	6,626,670	4,380,052	51
	Profit for the period attributable to:						
7,637,231	Owners of the parent	9,492,851	4,087,543	132	4,533,658	2,721,252	67
6,408,976	Non-controlling interest	5,152,411	4,115,732	25	2,093,012	1,658,800	26
14,046,207	Profit for the period	14,645,262	8,203,275	79	6,626,670	4,380,052	51
	Earnings / per share						
10.18	Basic (Rs.)	12.66	5.45		6.04	3.63	
10.18	Diluted (Rs.)	12.66	5.45		6.04	3.63	

The Notes on pages 12 to 14 form an integral part of these Financial Statements.
Figures in brackets indicate deductions.

STATEMENT OF PROFIT OR LOSS

Company		Company			Company		
Audited year ended 31.03.21 Rs.'000	Notes	Unaudited 9 months to 31.12.21 Rs.'000	Unaudited 9 months to 31.12.20 Rs.'000	Change %	Unaudited 3 months to 31.12.21 Rs.'000	Unaudited 3 months to 31.12.20 Rs.'000	Change %
422,634	Revenue	373,896	297,443	26	124,977	105,070	19
(368,700)	Cost of sales	(277,824)	(275,333)	1	(93,473)	(92,270)	1
53,934	Gross profit	96,072	22,110	335	31,504	12,800	146
3,618,236	Group dividend	3,650,625	2,006,302	82	2,039,362	1,122,011	82
153,209	Other income	12,849	127	10,017	4	43	(91)
132,199	Administrative expenses	277,407	88,127	215	(60,852)	96,623	163
-	Other expenses	(5,502)	-	-	(43)	-	-
3,957,578	Results from operating activities	4,031,451	2,116,666	90	2,009,975	1,231,477	63
32,755	Finance income	87,356	17,469	400	37,282	7,629	389
(2,587,774)	Finance cost	(1,624,136)	(2,056,435)	(21)	(575,319)	(563,447)	2
(2,555,019)	Net finance cost	(1,536,780)	(2,038,966)	(25)	(538,037)	(555,818)	(3)
3,700	Change in fair value of investment properties	-	-	-	-	-	-
1,406,259	Profit/Loss before tax for the period	2,494,671	77,700	3,111	1,471,938	675,659	118
(207,625)	Tax expense	(10,043)	(17,616)	(43)	(10,043)	(17,616)	(43)
1,198,634	Profit/Loss for the period	2,484,628	60,084	4,035	1,461,895	658,043	122

STATEMENT OF COMPREHENSIVE INCOME

Consolidated		Consolidated			Consolidated		
Audited year ended 31.03.21 Rs.'000		Unaudited 9 months to 31.12.21 Rs.'000	Unaudited 9 months to 31.12.20 Rs.'000	Change %	Unaudited 3 months to 31.12.21 Rs.'000	Unaudited 3 months to 31.12.20 Rs.'000	Change %
14,046,207	Profit for the period	14,645,262	8,203,275	79	6,626,670	4,380,052	51
	Other Comprehensive income						
	Items that will not be reclassified subsequently to Statement of Profit or Loss						
189,862	Actuarial loss on employee benefit obligations	-	-	-	-	-	-
117,880	Net change on equity instruments designated at fair value through other comprehensive income	113,965	65,370	74	9,753	32,661	(70)
333,557	Tax on other comprehensive income	-	-	-	-	-	-
	Items that will be reclassified subsequently to Statement of Profit or Loss						
1,573,609	Net exchange differences on translation of foreign operations	(376,811)	627,036	(160)	(350,405)	484,242	(172)
(121,511)	Net gain /(loss) on cash flow hedges	146,953	173,547	(15)	77,418	(7,141)	(1,184)
(684)	Share of other comprehensive income of equity accounted investees	-	-	-	-	-	-
2,092,713	Total other comprehensive income for the period, net of tax	(115,893)	865,953	(113)	(263,234)	509,761	(152)
16,138,920	Total comprehensive income for the period, net of tax	14,529,369	9,069,228	60	6,363,436	4,889,813	30
	Total comprehensive income for the period attributable to						
8,818,695	Owners of the parent	9,512,228	4,633,997	105	4,416,824	3,001,891	47
7,320,225	Non-controlling interest	5,017,141	4,435,231	13	1,946,612	1,887,922	3
16,138,920		14,529,369	9,069,228	60	6,363,436	4,889,813	30

The Notes on pages 12 to 14 form an integral part of these Financial Statements.
Figures in brackets indicate deductions.

STATEMENT OF COMPREHENSIVE INCOME

Company		Company			Company		
Audited year ended 31.03.21 Rs.'000		Unaudited	Unaudited		Unaudited	Unaudited	
		9 months to	9 months to		3 months to	3 months to	
		31.12.21	31.12.20	Change	31.12.21	31.12.20	Change
		Rs.'000	Rs.'000	%	Rs.'000	Rs.'000	%
1,198,634	Profit/(Loss) for the period	2,484,628	60,084	4,035	1,461,895	658,043	122
	Other Comprehensive income						
	Items that will not be reclassified subsequently to Statement of Profit or Loss						
(12,818)	Actuarial loss on employee benefit obligations	-	-	-	-	-	-
-	Net change on equity instruments designated at fair value through other comprehensive income	-	-	-	-	-	-
(1,571)	Tax on other comprehensive income	-	-	-	-	-	-
	Items that will be reclassified subsequently to Statement of Profit or Loss						
-	Net exchange differences on translation of foreign operations	-	-	-	-	-	-
-	Net gain /(loss) on cash flow hedges	-	-	-	-	-	-
-	Share of other comprehensive income of equity accounted investees	-	-	-	-	-	-
(14,389)	Total other comprehensive income for the period, net of tax	-	-	-	-	-	-
1,184,245	Total comprehensive income for the period, net of tax	2,484,628	60,084	4,035	1,461,895	658,043	122

STATEMENT OF FINANCIAL POSITION

Consolidated		Company	Consolidated		Company	
Audited as at 31.03.21 Rs.'000	Audited as at 31.03.21 Rs.'000		Unaudited as at 31.12.21 Rs.'000	Unaudited as at 31.12.20 Rs.'000	Unaudited as at 31.12.21 Rs.'000	Unaudited as at 31.12.20 Rs.'000
ASSETS						
Non - current assets						
89,685,742	137,225	Property, plant & equipment	96,874,902	87,819,061	117,463	143,633
9,934,309	255,329	Right-of- use assets	10,272,315	8,873,845	207,455	271,287
2,824,180	79,600	Investment properties	2,431,558	2,720,161	79,600	75,900
530,543	-	Biological assets	544,909	517,082	-	-
13,272,669	58,698	Intangible assets	15,939,015	13,179,712	57,134	55,273
-	39,070,361	Investments in subsidiaries	-	-	38,902,041	39,166,286
2,097,766	1,504,863	Investments in equity accounted investees	2,246,261	2,286,439	1,504,863	1,504,863
248,805	64,687	Other non-current financial assets	112,677	292,740	59,016	70,923
11,912,418	-	Non - current trade and other receivables	12,347,146	11,705,766	-	-
1,007,322	-	Other non-current assets	929,598	990,942	-	-
2,311,501	24,525	Deferred tax assets	2,435,618	2,142,187	24,524	71,215
-	610,000	Amounts due from subsidiaries	-	-	610,000	-
133,825,255	41,805,288	Total non-current assets	144,133,999	130,527,935	41,562,096	41,359,380
Current assets						
53,100,096	1,739	Inventories	70,569,448	39,682,007	2,625	1,817
-	2,509,908	Amounts due from subsidiaries	-	-	3,512,639	2,717,028
318,905	90,985	Amounts due from equity accounted investees	143,100	227,361	38,597	69,340
67,226,195	39,391	Trade and other receivables	78,951,481	63,839,709	342,153	58,287
2,893,143	19,716	Other current assets	4,040,087	2,546,238	130,553	60,367
764,443	-	Income tax recoverable	847,592	1,252,620	-	46,387
463,524	8,002	Other current financial assets	1,754,310	287,752	274,012	8,242
7,876,500	241,719	Short-term deposits	14,596,135	6,663,970	251,444	238,328
12,912,378	85,613	Cash in hand and at bank	23,740,389	15,317,412	175,336	211,752
3,021	-	Assets classified as held for sale	-	3,022	-	-
145,558,205	2,997,073	Total current assets	194,642,542	129,820,091	4,727,359	3,411,548
279,383,460	44,802,361	Total assets	338,776,541	260,348,026	46,289,455	44,770,928
EQUITY AND LIABILITIES						
1,575,000	1,575,000	Stated capital	1,575,000	1,575,000	1,575,000	1,575,000
688,411	13,226	Capital reserves	688,435	675,934	13,226	13,226
24,734,483	-	Other components of equity	24,484,167	24,187,626	-	-
20,620,432	14,518,971	Revenue reserves	29,708,099	17,757,298	17,003,600	14,144,810
47,618,326	16,107,197	Total equity attributable to equity holders of the company	56,455,701	44,195,858	18,591,826	15,733,036
27,580,255	-	Non- controlling interest	30,617,616	25,987,918	-	-
75,198,581	16,107,197	Total Equity	87,073,317	70,183,776	18,591,826	15,733,036
Non - current liabilities						
51,503,754	19,205,466	Interest bearing borrowings	60,413,662	54,888,862	19,651,099	20,339,330
836,618	-	Grants	843,907	829,928	-	-
5,357,821	-	Deferred tax liabilities	5,670,922	5,983,089	-	-
1,366,565	-	Security deposits	1,393,702	1,365,342	-	-
1,666,017	-	Other non-current liabilities	1,712,822	1,791,434	-	-
2,091,132	-	Other non-current financial liabilities	2,199,468	1,782,206	-	-
9,777,004	1,055,971	Employee benefit obligations	10,809,017	9,875,197	1,168,255	1,051,847
72,598,911	20,261,437	Total non-current liabilities	83,043,500	76,516,058	20,819,354	21,391,177
Current liabilities						
52,983,547	1,147,119	Trade and other payables	61,254,969	45,189,535	569,488	535,562
3,897,687	17,185	Other current liabilities	5,823,723	4,417,041	5,627	15,598
8,374,066	-	Other current financial liabilities	10,115,569	7,641,461	-	-
-	224,881	Amounts due to subsidiaries	-	-	371,037	267,751
8,036	3,152	Amounts due to equity accounted investees	3,403	19,162	3,152	3,152
492,080	-	Deferred Revenue	693,606	498,323	-	-
2,871,625	84,485	Income tax payable	2,310,172	1,795,308	93,861	-
24,677,856	4,945,176	Current portion of long term interest bearing borrowings	23,431,134	20,587,890	5,363,838	4,997,424
38,280,739	2,011,729	Short-term interest bearing borrowings	65,027,148	33,499,140	471,272	1,827,228
332	-	Liabilities directly associated with assets classified as held for sale	-	332	-	-
131,585,968	8,433,727	Total current liabilities	168,659,724	113,648,192	6,878,275	7,646,715
204,184,879	28,695,164	Total liabilities	251,703,224	190,164,250	27,697,629	29,037,892
279,383,460	44,802,361	Total equity and liabilities	338,776,541	260,348,026	46,289,455	44,770,928

The Financial Statements have been prepared in compliance with the requirements of the Companies Act no 7 of 2007 .

sgd.

Choliya De Silva
Group Chief Financial Officer

The Directors are responsible for the preparation and presentation of these Financial Statements.
Signed for and on behalf of the Board

sgd.

Mohan Pandithage
Chairman & Chief Executive
14th February 2022

The Notes on pages 12 to 14 form an integral part of these Financial Statements.
Figures in brackets indicate deductions.

sgd.

Ruwan Waidyaratne
Director

STATEMENT OF CHANGES IN EQUITY

For the period ended 31st December	Attributable to owners of the Company													
		Capital Reserves		Other Components of Equity				Revenue Reserves						
	Stated capital	Reserve on scrip issue	Other capital reserve	Revaluation reserve	air value reserve of financial assets at FVOCI	Cashflow hedge reserve	foreign currency translation reserve	General reserve	Timber reserve	Bearer Biological reserve	Retained earnings	Shareholders' Funds	Non-controlling interest	Total Equity
	Rs. '000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Consolidated														
Balance as at 31st March 2021	1,575,000	175,432	512,979	21,708,907	76,471	(849,098)	3,798,203	2,279,714	114,574	10,015	18,216,129	47,618,326	27,580,255	75,198,581
Profit for the period	-	-	-	-	-	-	-	-	-	-	9,492,851	9,492,851	5,152,411	14,645,262
Other Comprehensive income														
Net exchange differences on translation of foreign operations	-	-	-	-	-	-	(189,757)	-	-	-	-	(189,757)	(187,054)	(376,811)
Net gain on cash flow hedges	-	-	-	-	-	133,737	-	-	-	-	-	133,737	13,216	146,953
Net change on equity instruments designated at fair value through other comprehensive income	-	-	-	-	75,397	-	-	-	-	-	-	75,397	38,568	113,965
Total other comprehensive income	-	-	-	-	75,397	133,737	(189,757)	-	-	-	-	19,377	(135,270)	(115,893)
Total Comprehensive income for the period	-	-	-	-	75,397	133,737	(189,757)	-	-	-	9,492,851	9,512,228	5,017,141	14,529,369
Transactions with owners, recorded directly in equity														
Dividends to equity holders	-	-	-	-	-	-	-	-	-	-	-	-	(2,546,130)	(2,546,130)
Transfers	-	-	-	(20,405)	(120,513)	-	-	1,624	-	-	139,294	-	-	-
Total contributions by and distributions to owners	-	-	-	(20,405)	(120,513)	-	-	1,624	-	-	139,294	-	(2,546,130)	(2,546,130)
Changes in ownership interests in subsidiaries														
Adjustment on changes to non-controlling interest in subsidiaries	-	15	9	(230,303)	1,453	(540)	100,615	(3,662)	-	-	(542,440)	(674,853)	554,464	(120,389)
Disposal of Subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	(6,000)	(6,000)
Acquisition of Subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	17,886	17,886
Total changes in ownership interests in subsidiaries	-	15	9	(230,303)	1,453	(540)	100,615	(3,662)	-	-	(542,440)	(674,853)	566,350	(108,503)
Total transactions with owners	-	15	9	(250,708)	(119,060)	(540)	100,615	(2,038)	-	-	(403,146)	(674,853)	(1,979,780)	(2,654,633)
Balance as at 31st December 2021	1,575,000	175,447	512,988	21,458,199	32,808	(715,901)	3,709,061	2,277,676	114,574	10,015	27,305,834	56,455,701	30,617,616	87,073,317

The Notes on pages 12 to 14 form an integral part of these Financial Statements.
Figures in brackets indicate deductions.

STATEMENT OF CHANGES IN EQUITY

For the period ended 31st December	Attributable to owners of the Company													
	Capital Reserves			Other Components of Equity				Revenue Reserves				Shareholders' Funds	Non-controlling interest	Total Equity
	Stated capital	Reserve on scrip issue	Other capital reserve	Revaluation reserve	air value reserve of financial assets at FVOCI	Cashflow hedge reserve	foreign currency translation reserve	General reserve	Timber reserve	Bearer Biological reserve	Retained earnings			
	Rs. '000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Balance as at 31st March 2020	1,575,000	176,795	499,309	21,518,151		1,785	(750,405)	2,875,401	2,290,444	111,714	3,482	11,402,883	39,704,559	62,856,502
Profit for the period	-	-	-	-	-	-	-	-	-	-	-	4,087,543	4,087,543	8,203,275
Other Comprehensive income														
Net exchange differences on translation of foreign operations	-	-	-	-	-	-	344,620	-	-	-	-	344,620	282,416	627,036
Net loss on cash flow hedges	-	-	-	-	-	159,528	-	-	-	-	-	159,528	14,019	173,547
Net change on equity instruments designated at fair value through other comprehensive income	-	-	-	-	42,306	-	-	-	-	-	-	42,306	23,064	65,370
Total other comprehensive income	-	-	-	-	42,306	159,528	344,620	-	-	-	-	546,454	319,499	865,953
Total Comprehensive income for the period	-	-	-	-	42,306	159,528	344,620	-	-	-	4,087,543	4,633,997	4,435,231	9,069,228
Transactions with owners, recorded directly in equity														
Dividends to equity holders	-	-	-	-	-	-	-	-	-	-	(225,000)	(225,000)	(1,618,368)	(1,843,368)
Transfers	-	-	-	-	(1,238)	-	-	400	-	-	838	-	-	-
Total contributions by and distributions to owners	-	-	-	-	(1,238)	-	-	400	-	-	(224,162)	(225,000)	(1,618,368)	(1,843,368)
Changes in ownership interests in subsidiaries														
Adjustment on changes to non-controlling interest in	-	(253)	83	4,781	7	(8,407)	1,097	8,423	-	-	76,571	82,302	19,112	101,414
Total changes in ownership interests in subsidiaries	-	(253)	83	4,781	7	(8,407)	1,097	8,423	-	-	76,571	82,302	19,112	101,414
Total transactions with owners	-	(253)	83	4,781	(1,231)	(8,407)	1,097	8,823	-	-	(147,591)	(142,698)	(1,599,256)	(1,741,954)
Balance as at 31st December 2020	1,575,000	176,542	499,392	21,522,932	42,860	(599,284)	3,221,118	2,299,267	111,714	3,482	15,342,835	44,195,858	25,987,918	70,183,776

The Notes on pages 12 to 14 form an integral part of these Financial Statements.
Figures in brackets indicate deductions.

STATEMENT OF CHANGES IN EQUITY

For the period ended 31st December					
Company	Capital Reserve		Revenue Reserves		Total Equity
	Stated capital	Other capital reserve	General reserve	Retained earnings	
	Rs. '000	Rs.'000	Rs.'000	Rs.'000	
					Rs.'000
Balance as at 31st March 2021	1,575,000	13,226	382,087	14,136,885	16,107,198
Profit for the period	-	-	-	2,484,628	2,484,628
Transactions with owners, recorded directly in equity					
Dividends to equity holders	-	-	-	-	-
Total contributions by and distributions to owners	-	-	-	-	-
Total transactions with owners	-	-	-	-	-
Balance as at 31st December 2021	1,575,000	13,226	382,087	16,621,513	18,591,826
 Balance as at 31st March 2020	 1,575,000	 13,226	 382,087	 13,927,639	 15,897,952
Loss for the period	-	-	-	60,084	60,084
Total Comprehensive income for the period	-	-	-	60,084	60,084
Transactions with owners, recorded directly in equity					
Dividends to equity holders	-	-	-	(225,000)	(225,000)
Total contributions by and distributions to owners	-	-	-	(225,000)	(225,000)
Total transactions with owners	-	-	-	(225,000)	(225,000)
Balance as at 31st December 2020	1,575,000	13,226	382,087	13,762,723	15,733,036

The Notes on pages 12 to 14 form an integral part of these Financial Statements.

Figures in brackets indicate deductions.

STATEMENT OF CASH FLOWS

Consolidated	Company		Consolidated		Company	
			Unaudited	Unaudited	Unaudited	Unaudited
			9 months to	9 months to	9 months to	9 months to
Audited	Audited					
year ended	year ended					
31.03.21	31.03.21		31.12.21	31.12.20	31.12.21	31.12.20
Rs.'000	Rs.'000		Rs.'000	Rs.'000	Rs.'000	Rs.'000
Cash flows from operating activities						
36,719,920	4,093,091	Cash generated from operations (Note A)	14,514,895	35,657,852	3,123,388	2,908,400
(851,217)	(47,443)	Employee benefit paid	(625,120)	(636,896)	(23,011)	(14,734)
(2,940,271)	(15,104)	Income tax paid	(5,387,643)	(2,064,086)	-	(1,085)
32,928,432	4,030,544	Net cash inflow from operating activities	8,502,132	32,956,870	3,100,377	2,892,581
Cash flows from investing activities						
(5,768,264)	(44,957)	Purchase and construction of property, plant & equipment	(9,344,796)	(3,244,082)	(23,624)	(32,598)
-	-	Purchase of intangible assets	(331,230)	-	-	-
(79,263)	(227)	Investments in other non-current assets	(73,029)	-	-	-
(2,569,859)	-	Investments in other current financial assets	(7,613,523)	(802,130)	(4,378,000)	-
-	-	Investments in other non-current financial assets	(1,200)	-	-	-
(15,192)	-	Development of biological assets	(14,366)	(11,843)	-	-
-	-	Decrease due to harvest	-	-	-	-
82,779	-	Grants received - capital	35,255	67,546	-	-
(2,282)	-	Improvements to investment property	-	(901)	-	-
280,672	356	Proceeds from disposal of property, plant & equipment	165,286	132,696	30	255
93,984	-	Proceeds from disposal of intangible assets	6,689	92,908	-	-
-	-	Proceeds from disposal of non-current financial assets	245,611	-	-	-
2,567,831	-	Proceeds from disposal of current financial assets	6,345,838	969,426	4,131,648	-
93,000	-	Proceeds from sale of investment property	400,000	-	-	-
-	-	Proceeds from disposal of assets held for sale	-	-	-	-
-	-	Proceeds from disposal of subsidiaries	30,592	-	249,921	-
(270,932)	-	On acquisition of right to generate hydro power/ ERP system	-	(127,380)	-	-
170,056	39,420	Proceeds from buy back of shares of non-current financial assets	-	12,048	-	-
-	(23,667)	Long term investments in group companies and others	(4,348,753)	(2,842)	(68,439)	(21,413)
94,678	-	Cash inflow from transfer of equity accounted investee to subsidiary	-	-	-	-
-	215,989	Disposal of subsidiary shares	-	-	-	-
579,391	19,086	Interest received	981,703	344,659	67,269	14,065
108,864	-	Net movement in deferred revenue	201,526	115,105	-	-
137,500	-	Dividends received from equity accounted investees	101,062	112,497	-	-
4,417	319	Dividends received from non-group companies	18,492	2,959	134	261
(4,492,620)	206,319	Net cash used in investing activities	(13,194,843)	(2,339,334)	(21,021)	(39,430)
28,435,812	4,236,863	Net cash inflow before financing	(4,692,711)	30,617,536	3,079,357	2,853,151
Cash flows from financing activities						
(2,121,159)	-	Payment on lease	(1,672,298)	(780,114)	-	-
(7,664,020)	(2,525,448)	Interest paid (including interest capitalized)	(6,258,303)	(6,378,610)	(1,589,452)	(2,009,487)
(3,103,476)	-	Dividend paid to non-controlling interest	(2,546,130)	(1,618,368)	-	-
-	-	Proceeds from debenture issue	2,000,000	-	-	-
-	-	Debenture Redemption	(583,364)	-	-	-
37,333,408	11,200,000	Proceeds from interest-bearing borrowings	26,218,242	31,102,762	5,800,000	11,200,000
(41,086,784)	(9,150,000)	Repayment of interest-bearing borrowings	(20,930,398)	(34,082,981)	(4,900,000)	(7,975,000)
-	(3,000)	Long term loan facility fee	-	-	-	(3,000)
3,450,153	-	Net movement in financial liabilities	108,336	2,408,622	-	-
(28,046)	-	Net movement in security deposits	27,137	(29,269)	-	-
150,995	-	Acquisition of non-controlling interest	(120,389)	101,408	-	-
(225,000)	(225,000)	Dividends paid to equity holders of parent	(750,000)	(225,000)	(750,000)	(225,000)
(13,293,929)	(703,448)	Net cash inflow / (outflow) from financing activities	(4,507,167)	(9,501,550)	(1,439,452)	987,513
15,141,883	3,533,415	Net increase / (decrease) in cash and cash equivalents	(9,199,878)	21,115,986	1,639,905	3,840,664
(32,632,629)	(5,217,812)	Cash and cash equivalents at beginning of the year/period	(17,490,746)	(32,632,629)	(1,684,397)	(5,217,812)
(17,490,746)	(1,684,397)	Cash and cash equivalents at end of the year/period (Note B)	(26,690,624)	(11,516,643)	(44,492)	(1,377,148)

Net cash flows related to discontinued operation, shown in Note 7, discontinued operation

The Notes on pages 12 to 14 form an integral part of these Financial Statements.

Figures in brackets indicate deductions.

STATEMENT OF CASH FLOWS

Consolidated		Company	Consolidated		Company	
Audited year ended 31.03.21 Rs.'000	Audited year ended 31.03.21 Rs.'000		Unaudited 9 months to 31.12.21 Rs.'000	Unaudited 9 months to 31.12.20 Rs.'000	Unaudited 9 months to 31.12.21 Rs.'000	Unaudited 9 months to 31.12.20 Rs.'000
		A. Cash generated from operations				
19,233,789	1,406,259	Profit before tax	19,461,308	11,514,735	2,494,671	77,700
		Adjustments for:				
6,875,771	2,555,019	Net finance costs	4,993,780	5,858,819	1,536,779	2,038,966
(252,611)	-	Share of profits from equity accounted investees	(249,557)	(285,244)	-	-
5,330,155	62,978	Depreciation on property, plant & equipment	4,333,138	3,998,960	30,478	39,045
5,000	-	Impairment of property, plant & equipment	-	8,000	8,678	8,678
1,715,456	63,832	Depreciation on right of use assets	1,434,407	1,113,442	47,874	47,874
(195,638)	(3,700)	Change in fair value of investment properties	-	-	-	-
(10,111)	-	Change in fair value of agricultural produce on bearer biological assets	-	-	-	-
(21,897)	-	Change in fair value of biological assets	-	-	-	-
(55,645)	(141)	(Gain)/loss on the disposal of property, plant & equipment	(92,251)	(52,852)	5,764	(127)
-	-	(Gain)/loss on the disposal of Investment properties	(7,378)	-	-	-
(35,075)	(35,075)	Gain on disposal of Non-current financial assets	-	-	(13,112)	-
-	(117,993)	(Gain)/loss on disposal of subsidiary shares	(6,593)	-	-	-
205,984	-	Amortisation of intangible assets	172,062	149,020	-	-
2,165,334	-	Net (gain)/loss on translation of foreign currency	716,243	1,257,231	-	-
902,758	-	Impairment of trade & other receivables	-	-	-	-
442,703	-	Provision for unrealised profit and write-down of inventories	-	-	-	-
33,798	-	Impairment/ amortisation of other non -current assets	38,898	-	-	-
1,511,196	138,045	Provision for post employee benefit obligations	1,520,697	1,253,255	135,295	113,948
(34,154)	-	Grants amortised	(27,966)	(25,611)	-	-
37,816,813	4,069,224		32,286,788	24,789,755	4,246,427	2,326,084
(10,384,252)	19,432	(Increase)/decrease in trade and other receivables and other current assets	(12,002,957)	(5,892,817)	(1,364,500)	378,611
(11,218,090)	36	(Increase)/decrease in inventories	(15,715,285)	2,543,723	(886)	(41)
20,505,449	4,399	Increase/(decrease) in trade and other payables	9,946,349	14,217,191	242,347	203,746
36,719,920	4,093,091		14,514,895	35,657,852	3,123,388	2,908,400
		B. Analysis of cash and cash equivalents				
12,913,493	85,613	Cash in hand and at bank *	23,740,389	15,318,527	175,336	211,752
7,876,500	241,719	Short - term deposits	14,596,135	6,663,970	251,444	238,328
20,789,993	327,332		38,336,524	21,982,497	426,780	450,080
(38,280,739)	(2,011,729)	Short-term interest bearing borrowings	(65,027,148)	(33,499,140)	(471,272)	(1,827,228)
(17,490,746)	(1,684,397)	Cash and cash equivalents	(26,690,624)	(11,516,643)	(44,492)	(1,377,148)

* Includes discontinued operations.

The Notes on pages 12 to 14 form an integral part of these Financial Statements.
Figures in brackets indicate deductions.

NOTES TO THE FINANCIAL STATEMENTS

- 1** The Interim Condensed Financial Statements have been prepared in compliance with Sri Lanka Accounting Standard LKAS 34-Interim Financial Reporting. These Interim Condensed Financial Statements should be read in conjunction with the Annual Financial Statements for the year ended 31st March 2021.

The Interim Condensed Financial Statements have been prepared on a historical cost basis, except for, land ,biological assets and financial instruments.

These Statements also provide information required by the Colombo Stock Exchange.

- 2** There has not been a significant change in the nature of the contingent liabilities, which were disclosed in the Annual Report for the year ended 31st March 2021.
- 3** No circumstances have arisen since the reporting date, which would require adjustments to or disclosure in the Financial Statements. The presentation and classification of the Financial Statements of the previous year have been amended, where relevant, for better presentation and to be comparable with those of the current year.

4 INDUSTRY SEGMENT REVENUE

Consolidated

**Audited
year ended
31.03.21
Rs.'000**

7,827,005	Eco Solutions
30,396,579	Hand Protection
25,484,567	Purification Products
14,575,488	Textiles
5,892,089	Construction Materials
19,232,968	Agriculture
15,930,341	Plantations
37,240,564	Transportation & Logistics
73,022,659	Consumer & Retail
3,694,900	Industry Inputs
1,310,590	Power & Energy
1,345,876	Leisure
5,322,035	Others
241,275,661	

Consolidated			
Total	Intra-group	External	
		Unaudited 9 months to 31.12.21	Unaudited 9 months to 31.12.20
Rs.'000	Rs.'000	Rs.'000	Rs.'000
10,173,569	1,904,858	8,268,711	5,055,137
30,247,847	33,943	30,213,904	21,036,359
23,287,194	390,215	22,896,979	18,827,040
23,317,110	749,569	22,567,541	10,897,283
6,335,043	134,294	6,200,749	3,785,530
17,524,852	229,342	17,295,510	13,781,219
12,687,932	220,388	12,467,544	11,506,131
48,073,584	118,652	47,954,932	25,604,144
60,259,416	29,987	60,229,429	53,453,369
4,209,943	268,575	3,941,368	2,761,195
1,088,556	18,572	1,069,984	1,081,398
1,962,463	31,664	1,930,799	846,231
8,994,602	1,765,480	7,229,122	3,260,452
248,162,111	5,895,539	242,266,572	171,895,488

NOTES TO THE FINANCIAL STATEMENTS

5 INDUSTRY SEGMENT RESULTS

Consolidated

Audited
year ended
31.03.21
Rs.'000

657,064	Eco Solutions
5,502,171	Hand Protection
4,435,708	Purification Products
879,073	Textiles
1,232,655	Construction Materials
1,980,753	Agriculture
1,886,589	Plantations
4,086,694	Transportation & Logistics
5,597,397	Consumer & Retail
365,521	Industry Inputs
740,789	Power & Energy
(1,830,151)	Leisure
4,296,943	Others
29,831,206	Segment results
(3,877,409)	Non - segment income/(expenses)
25,953,798	Operating profit
(6,875,771)	Net finance cost
195,638	Change in fair value of investment properties
252,611	Share of profits from equity accounted investees
(292,487)	Value added tax on financial services
19,233,789	Profit before tax

Consolidated

Unaudited
9 months to
31.12.21
Rs.'000

Unaudited
9 months to
31.12.20
Rs.'000

889,717	321,239
3,237,978	4,093,361
2,518,549	3,562,804
1,459,031	735,878
909,512	689,439
2,273,425	1,543,163
1,213,790	1,049,548
5,935,776	2,062,884
5,401,257	3,647,472
393,364	269,860
647,359	651,232
(958,896)	(1,407,594)
2,685,542	2,375,457
26,606,404	19,594,743
(2,145,901)	(2,315,303)
24,460,503	17,279,440
(4,993,780)	(5,858,819)
-	-
249,557	285,244
(254,972)	(191,130)
19,461,308	11,514,735

NOTES NOTES TO THE FINANCIAL STATEMENTS

6 STATED CAPITAL

Company Audited as at 31.03.21 Rs.'000		Company	
		Unaudited as at 31.12.21 Rs.'000	Unaudited as at 31.12.20 Rs.'000
1,575,000	Issued and fully paid	1,575,000	1,575,000
	750,000,000 (75,000,000 - 31.12.2021) Ordinary Shares		

7 ASSETS AND LIABILITIES OF DISCONTINUED OPERATIONS

Consolidated Audited as at 31.03.21 Rs.'000		Consolidated	
		Unaudited as at 31.12.21 Rs.'000	Unaudited as at 31.12.20 Rs.'000
	Assets classified as held for sale		
1,906	Trade and Other Receivables	-	1,906
1,115	Cash in Hand and at Bank	-	1,115
3,021	Total assets	-	3,021
	Liabilities directly associated with assets classified as held for sale		
332	Trade and other payables	-	332
332	Total equity and liabilities	-	332

8 ACQUISITION OF SUBSIDIARY

Subsequent to the acquisition of a 98.83% equity stake in South Asia Textiles Limited on 22nd April 2021, the balance 1.17% equity stake was acquired on 15th July 2021 for Rs. 46.6 Mn. A provisional amount of Rs. 2.4 Bn has been recognized as Goodwill in the Interim Condensed Financial Statements owing to the business combination. Further considerations are presently being made in the determination of fair values for assets acquired and liabilities assumed through the business combination.

	Unaudited Rs.'000
Net identifiable assets and liabilities acquired excluding cash and cash equivalents	2,284,749
Cash in hand and bank acquired	50,701
Short term borrowings	(806,712)
Total net assets acquired including cash & cash Equivalent	1,528,738
Less : Non-controlling interests	(17,886)
	1,510,852
Goodwill acquired	2,442,510
Value of investment	3,953,362

INVESTOR INFORMATION

MARKET VALUE OF SHARES

The market value of an ordinary share of Hayleys PLC was as follows:

	31.12.21 <u>Rs.</u>	31.12.20 <u>Rs.</u>
Last traded price	130.00	414.50**
Highest price recorded for the three months ending	138.00	450.00**
Lowest price recorded for the three months ending	94.50	242.00**
Market capitalisation (Rs. mn.)	97,500	31,088

RATIOS

Net assets per share *	75.27	58.93
Price earnings ratio (times)	7.70	5.70

* Net asset per share in 2020 has been adjusted based on post sub-division of 10 shares for every one ordinary share held.

** Price before post sub-division of 10 shares for every one ordinary share held.

SHARE TRADING FROM 1ST OCTOBER 2021 TO 31ST DECEMBER, 2021

No. of transactions	44,520
No. of shares traded	94,645,481
Value of shares traded (Rs.)	11,101,621,901

LISTED DEBENTURES

Details regarding the listed debentures are as follows;

DEBENTURE 1 -

Listed, rated, senior, unsecured, redeemable debentures,

Type A- Fixed rate at 12.50% p.a. payable semi annually redeemable on 31st July 2023

Interest rate of comparable Government Securities as at 31st December, 2021 8.67%

Type B- Floating rate AWPLR+1% p.a. payable semi annually redeemable on 31st July 2023

Interest rate of comparable Government Securities as at 31st December, 2021 8.67%

DEBENTURE TRADING INFORMATION FOR THE THREE MONTHS ENDED - 31.12.2021

There were no transactions during the period.

DEBENTURE 2 -

Listed, rated, senior, unsecured, redeemable debentures,

Type A- Fixed rate at 13.00% p.a. payable semi annually redeemable on 26th August 2024

Interest rate of comparable Government Securities as at 31st December, 2021 9.48%

Type B- Floating rate AWPLR+2% p.a. payable semi annually redeemable on 26th August 2024

Interest rate of comparable Government Securities as at 31st December, 2021 9.48%

DEBENTURE TRADING INFORMATION FOR THE THREE MONTHS ENDED - 31.12.2021

There were no transactions during the period.

RATIOS	31.12.21	31.12.20
Debt/ equity ratio	1.37	1.85
Quick asset ratio	0.69	0.29
Interest cover	2.49	0.59

INVESTOR INFORMATION

FIRST TWENTY SHAREHOLDERS AS AT 31ST DECEMBER 2021

Name of the Shareholder	No.of Shares	%
1 Mr.K.D.D.Perera	382,596,970	51.01
2 Trustees of the D.S.Jayasundera Trust	86,980,170	11.60
3 Hayleys Group Services (Pvt) Ltd No.02 A/C	11,170,900	1.49
4 McLarens Holdings Ltd	7,803,310	1.04
5 Sri Lanka Insurance Corporation Ltd-Life Fund	6,383,159	0.85
6 Mrs.R.N.Ponnambalam	6,266,880	0.84
7 Amana Bank PLC/Mr.M.N.Deen	5,909,343	0.79
8 Mr.N.K.A.D.De Silva	5,701,660	0.76
9 Mrs.R.M.Spittel	5,646,970	0.75
10 Seylan Bank PLC / Janashakthi Capital Limited	5,000,000	0.67
11 Mrs.Y.M.Spittel (Deceased)	4,655,610	0.62
12 Mrs.A.M.L.Johnpulle & Mr.B.J.M.Johnpulle	4,641,650	0.62
13 Mrs.S.D.Wickremasinghe	4,492,980	0.60
14 Mrs.P.M Godamunne	4,434,470	0.59
15 Mrs.A.K.Wikramanayake	4,384,490	0.58
16 Mr.A.C.Wikramanayake & Mrs.S.R.D.Wikramanayake	3,194,320	0.43
17 Mr.S.Rameshan	3,169,820	0.42
18 Miss.N.K.R.H.De Silva	2,834,010	0.38
19 Dr.D.Jayanntha	2,580,000	0.34
20 Estate of Late S.A.Tatham	2,205,300	0.29
TOTAL	560,052,012	74.67

There were no non voting shares as at 31st December, 2021

PUBLIC HOLDING

Percentage of public holding as at 31st December, 2021	37.09%
Total number of Shareholders representing the Public Holding	12,583
Float- adjusted market capitalization (Rs.)	36,162,750,000
The Company complies with option 1 of the Listing Rules 7.13.1 (a) which no minimum Public Holding.	

DIRECTORS' SHAREHOLDINGS AS AT 31ST DECEMBER, 2021

Directors' holdings of ordinary shares in the Company were as follows

Name of the Director	No.of Shares
Mr.K.D.D.Perera	382,613,630 *
Mr. A M Pandithage	1,253,570
Mr S C Ganegoda	250,000
Mr H S R Kariyawasan	94,270
Mr L R V Waidyaratne	379,300
Ms. J. Dharmasena	210,950

* Inclusive of indirect holding through other companies in which he owns controlling interest.

CORPORATE INFORMATION

NAME OF COMPANY

Hayleys PLC
(A public limited company, incorporated in Sri Lanka in 1952)

COMPANY NUMBER

PQ 22

STOCK EXCHANGE LISTING

The ordinary shares of the Company are listed with the Colombo Stock Exchange of Sri Lanka

REGISTERED OFFICE

Hayley Building,
P.O. Box 70, 400, Deans Road,
Colombo 10, Sri Lanka
Telephone: (94-11)2627000
Facsimile: (94-11)2699299
Website: <http://www.hayleys.com>

DIRECTORS

A M Pandithage – Chairman & Chief Executive
K D D Perera - Co-Chairman (Non - Executive)
S C Ganegoda
H S R Kariyawasan
Dr. H Cabral, PC
L R V Waidyaratne
M H Jamaldeen
M Y A Perera
Ms. J Dharmasena
R J Karunarahaj
K D G Gunaratne
Ms. A A K Amarasinghe (Alternate to K D D Perera)

GROUP MANAGEMENT COMMITTEE

A M Pandithage – Chairman & Chief Executive
S C Ganegoda
H S R Kariyawasan
L R V Waidyaratne
Ms. J Dharmasena
W G R Rajadurai
E R P Goonethilleke
Ms. D Talpahewa
C De Silva
N R Ranatunge
D W P N Dediwela
H Prematillake
Ng Soon Huat
M Wijewardene
R J Karunarahaj
W Jayasekara (appointed w.e.f 01. 08. 2021)
M M A R P Goonetilleke (appointed w.e.f 15.09.2021)

AUDIT COMMITTEE

M Y A Perera - Chairman
Dr H Cabral, PC
M H Jamaldeen
K D G Gunaratne

REMUNERATION COMMITTEE

Dr H Cabral, PC – Chairman
K D D Perera
M H Jamaldeen
M Y A Perera

NOMINATION COMMITTEE

A M Pandithage – Chairman
K D D Perera
Dr H Cabral, PC

RELATED PARTY TRANSACTION REVIEW COMMITTEE

Dr H Cabral, PC - Chairman
S C Ganegoda
M Y A Perera

SECRETARIES

Hayleys Group Services (Private) Limited
400, Deans Road, Colombo 10, Sri Lanka
Telephone: (94-11)2627650
Facsimile: (94-11)2627645
E-mail: info.sec@hayleys.com
Please direct any queries about the administration of shareholdings to the Company Secretaries

INVESTOR RELATIONS

Please contact Strategic Business Development Unit
Telephone: (94-11)2627662
E-mail: info@cau.hayleys.com